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High-level policy dialogue with international financial and trade institutions

Statement submitted by UNANIMA International, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* E/2010/100.

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Statement

Impact of the global economic crises on civil society organizations

A number of civil society organizations have reported substantial reductions in their funding and have expressed concern that this threatened their ability to deliver their services. To see how representative this was, a global survey of civil society organizations was undertaken at the end of 2009, under the guidance of a steering committee. Some 640 civil society organizations widely distributed among the different regions of the world responded to the survey, most of them from Africa (33 per cent), Asia (23 per cent), Europe (19 per cent), the United States and Canada (13 per cent) and Latin America (9 per cent).

Although some received increased funding, overall, the survey found a worsening financial situation for civil society organizations in the period 2008-2009. The organizations explained that, owing to the world economic crisis, grants from existing sources decreased. Most of the reductions occurred in sub-Saharan Africa. There were reductions by individual contributors, private foundations, international institutions and Governments, although not necessarily by all categories at once. Many humanitarian and development civil society organizations, especially in Europe, are intensifying their fund-raising efforts, and several have been forced to cut back their aid programmes owing to the global recession. The prospects for 2010 do not look better. The decline in revenue comes at the same time as demand for services is increasing, requiring more, not less, funding. Civil society organizations report that the amount and scope of requests for support by the constituencies and partners of civil society organizations has grown since 2006. They project further increases in requests for emergency relief and support to provide basic social services in the next two years.

The participants in the study have made some recommendations to Governments and urge them to mobilize the requisite resources for social development. This would require tackling corruption and establishing a fair taxation structure, social safety nets and basic income grants. Internationally, participants called for donor Governments to step up their development assistance and to support the United Nations proposal on a social protection floor as well as the International Labour Organization (ILO) Global Jobs Pact. Finally, civil society organizations look to the international community for more effective cooperation in reducing opportunities for tax evasion and in developing innovative sources of financing for global public goods. One option for such additional funds would be a financial transaction tax, which would be established by national Governments to tax transactions in all kinds of financial assets: shares, bonds, securities and derivatives. It is expected that a tax rate of just 0.1 per cent would yield $734.8 billion worldwide. The participants also expressed the need to restate global principles through a new "United Nations charter for a sustainable and socially oriented market economy".

The current situation demonstrates that the ability of civil society organizations to mobilize financial resources weakens during a crisis, just when the need for their social services rises. Therefore, Governments should institutionalize stable and predictable funds for necessary programmes of civil society organizations during and following global crises.

The full study is available at http://ngosocdev.wordpress.com/2010/01/28/174/.